

A RESOLUTION
Establishment of State Employee
Employer Contributions for Future OPEB Liabilities

WHEREAS, the Board of Community Health (the "Board") desires that the State Health Benefit Plan (the "SHBP") meet the financial reporting standards established by the Governmental Accounting Standards Board ("GASB");

WHEREAS, the GASB requires that the SHBP disclose liabilities for the cost of SHBP retirement-related benefits for both current and future retired members (i.e. "Other Post Employment Benefits" or "OPEB") beginning in Fiscal Year ("FY") 2007;

WHEREAS, the FY2008 Appropriations Act pursuant to House Bill 95 provides for SHBP employer contributions on behalf of State employees;

WHEREAS, the FY2008 Appropriations Act pursuant to House Bill 95 directs the SHBP to utilize a portion of the employer contributions for State employees for future OPEB liabilities and this portion is equivalent to 18.9 percent of payroll contributions from state agencies;

WHEREAS, O.C.G.A. § 45-18-101 established the Georgia Retiree Health Benefit Fund (the "Fund") in order to provide a mechanism for the State of Georgia (the "State") to separately safeguard and monitor assets appropriated to address OPEB liability;

WHEREAS, pursuant to O.C.G.A. § 45-18-104(b), the Commissioner has the full power to invest and reinvest the Fund's assets, subject to the supervision of the Board,

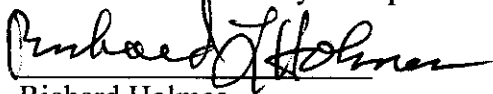
WHEREAS, O.C.G.A. § 45-18-102 (h) requires the Department of Community Health (the "Department") to contract with the Division of Investment Services of the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia (the "Division") for any necessary services with respect to Fund investments;

WHEREAS, the Department entered into an interagency agreement with the Division of Investment Services of the Teachers Retirement System of Georgia and the Employees' Retirement System of Georgia on November 29, 2005 for investment services;

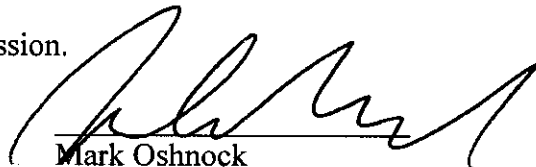
NOW THEREFORE LET IT BE ORDERED by the Board that 18.9 percent of the appropriated FY 2008 SHBP employer contributions received on behalf of State employees be deposited into the Fund for future OPEB liabilities.

LET IT FURTHER BE ORDERED by the Board that the Department make these future OPEB funds available to the Division for long term investment.

Resolved this 13th day of September, 2007 in public session.



Richard Holmes
Chair



Mark Oshnock
Secretary